

SHELTON SCHOOL DISTRICT NO. 309  
MASON COUNTY, WASHINGTON

RESOLUTION NO. 17-03

A RESOLUTION of the Board of Directors of Shelton School District No. 309, Mason County, Washington, authorizing a request for a Certificate of Eligibility from the State Treasurer pursuant to chapter 39.98 RCW and the rules adopted thereunder by the State Finance Committee; designating the Secretary to the Board of Directors and/or the District's Executive Director, Finance, as the officials authorized to file with the State Treasurer, on behalf of the District, the request for a Certificate of Eligibility; authorizing the approval and distribution of a preliminary official statement; and providing for other matters properly relating thereto, all as more particularly set forth herein.

ADOPTED: APRIL 11, 2017

*This document prepared by:*

*FOSTER PEPPER PLLC  
1111 Third Avenue, Suite 3000  
Seattle, Washington 98101  
(206) 447-5339*

SHELTON SCHOOL DISTRICT NO. 309  
MASON COUNTY, WASHINGTON

RESOLUTION NO. 17-03

A RESOLUTION of the Board of Directors of Shelton School District No. 309, Mason County, Washington, authorizing a request for a Certificate of Eligibility from the State Treasurer pursuant to chapter 39.98 RCW and the rules adopted thereunder by the State Finance Committee; designating the Secretary to the Board of Directors and/or the District's Executive Director, Finance, as the officials authorized to file with the State Treasurer, on behalf of the District, the request for a Certificate of Eligibility; authorizing the approval and distribution of a preliminary official statement; and providing for other matters properly relating thereto, all as more particularly set forth herein.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SHELTON SCHOOL DISTRICT NO. 309, MASON COUNTY, WASHINGTON, as follows:

Section 1.     Recitals. The Board of Directors (the "Board") of Shelton School District No. 309, Mason County, Washington (the "District") takes note of the following facts and hereby makes the following findings and determinations:

(a) Pursuant to Resolution No. 06-16, adopted by the Board on December 12, 2006, the District issued, sold and delivered its Unlimited Tax General Obligation Refunding Bonds, 2006, in the principal amount of \$9,410,000, dated December 28, 2006 (the "2006 Bonds"). The 2006 Bonds were issued to advance refund a portion of: (i) the callable portion of the District's Unlimited Tax General Obligation Bonds, 2001 (the "2001 Bonds"); and (ii) the callable portion of the District's Unlimited Tax General Obligation Bonds, 2002 (the "2002 Bonds"). Both the 2001 Bonds and the 2002 Bonds were approved by the District's voters on February 6, 2001, pursuant to Resolution No. 00-10, adopted by the Board on November 28, 2000. A true and correct copy of Resolution No. 00-10 is attached hereto as Exhibit "A" and by this reference is incorporated herein.

(b) There is presently outstanding \$8,985,000 principal amount of the 2006 Bonds that may be currently refunded under Resolution No. 06-16 (the "2006 Outstanding Bonds"). It is in the best interest of the District to refund all or a portion of the 2006 Outstanding Bonds with the issuance, sale and delivery of the District's unlimited tax general obligation refunding bonds in one or more series with the aggregate principal amount not exceeding \$9,100,000 (the "Refunding Bonds").

(c) Pursuant to the Washington State School District Credit Enhancement Program, authorized by chapter 39.98 RCW (the "Guarantee Program"), the State of Washington (the "State") is authorized to pledge its full faith, credit and taxing power to guarantee the payment of voter-approved school district general obligation bonds. The purpose of the Guarantee Program is to encourage lower interest rates for such bonds than school districts alone can command, thereby providing a savings to the taxpayers. Certain rules to implement and administer the Guarantee Program under chapter 39.98 RCW have been adopted by the State Finance Committee (the "Rules"). To become eligible under the Guarantee Program, as codified in chapter 39.98 RCW, and

the Rules, the Board is required to adopt a resolution that: (i) authorizes the District to request a Certificate of Eligibility from the State Treasurer; and (ii) designates a District official to file with the State Treasurer, on behalf of the District, the request for a Certificate of Eligibility. It is in the best interests of the District's taxpayers to request the State's guaranty for payment of the Refunding Bonds under the Guarantee Program.

(e) It is in the best interests of the District to authorize the approval and distribution of any preliminary official statement prepared in connection with the sale of the Refunding Bonds to comply with Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12").

Section 2. Request for Certificate of Eligibility. The Board hereby authorizes the District to request a Certificate of Eligibility from the State Treasurer evidencing the State's guaranty for payment of the Refunding Bonds pursuant to the Guarantee Program under chapter 39.98 RCW and the Rules.

Section 3. Authorized District Officials. The Board hereby designates the Secretary to the Board (the "Secretary") and/or the District's Executive Director, Finance (the "Executive Director") as the District officials authorized to file with the State Treasurer, on behalf of the District, the request for such a Certificate of Eligibility pursuant to the Guarantee Program under chapter 39.98 RCW and the Rules.

Section 4. Authorization to Issue the Refunding Bonds. The Refunding Bonds may be issued as a single series, as a part of a combined series with other authorized bonds, or in more than one series, all as deemed necessary and advisable by the Board and as permitted by law.

Section 5. Preliminary Official Statement. The Board hereby authorizes and directs the Secretary and/or the Executive Director to: (a) review and "deem final" (within the meaning of Rule 15c2-12), if necessary and upon such official's satisfaction, any preliminary official statement prepared in connection with the sale of the Refunding Bonds (which preliminary official statement may include other authorized bonds if the Refunding Bonds are issued as a part of a combined issue); (b) authorize the "deemed final" preliminary official statement to be distributed prior to the date any underwriter or purchaser bids for, purchases, offers or sells the Refunding Bonds; and (c) acknowledge in writing any action taken pursuant to clauses (a) and (b) of this paragraph.

Section 6. All Other Action and Ratification. The Secretary, the Executive Director, the President of the Board, the Mason County Treasurer, and the District's bond counsel, Foster Pepper PLLC, are hereby further severally authorized to take all other action, to do all other things consistent with this resolution, and to execute all other documents necessary to effectuate the provisions of this resolution. All actions not inconsistent with the provisions of this resolution are hereby and in all respects ratified, approved and confirmed.

*[ Remainder of page intentionally left blank ]*

Section 7.     Effective Date. This resolution shall be in full force and effect from and after its adoption.

ADOPTED by the Board of Directors of Shelton School District No. 309, Mason County, Washington, at a regular open public meeting thereof, held this 11<sup>th</sup> day of April, 2017, the following Directors being present and voting in favor of the resolution.

SHELTON SCHOOL DISTRICT NO. 309  
MASON COUNTY, WASHINGTON

\_\_\_\_\_  
President and Director

*Sandy Graywell* VP

\_\_\_\_\_  
Vice President and Director

*Shelly Brownfield*

\_\_\_\_\_  
Director

*[Signature]*

\_\_\_\_\_  
Director

*Shelly J. Kan*

\_\_\_\_\_  
Director

ATTEST:

*Alex P. Apostle*

\_\_\_\_\_  
ALEX P. APOSTLE  
Secretary to the Board of Directors

EXHIBIT "A"

COPY OF RESOLUTION NO. 00-10

SHELTON SCHOOL DISTRICT NO. 309  
MASON COUNTY, WASHINGTON

RESOLUTION NO. 00-10

A RESOLUTION of the Board of Directors of Shelton School District No. 309, Mason County, Washington, providing for the submission to the voters of the District at a special election to be held therein on February 6, 2001, of a proposition authorizing the District to issue its general obligation bonds in the principal amount of no more than \$30,965,000 (or such lesser maximum amount as may be legally issued under the laws governing the limitation of indebtedness), for the purpose of paying costs of constructing and equipping new school facilities, modernizing and renovating existing school facilities and carrying out other capital purposes as determined by the Board of Directors of the District, the principal of and interest on such bonds to be payable from annual property tax levies to be made in excess of regular property tax levies, authorizing a request for a Certificate of Eligibility from the State Treasurer pursuant to chapter 39.98 RCW, and designating the Secretary to the Board of Directors as the District official authorized to file with the State Treasurer, on behalf of the District, the request for a Certificate of Eligibility.

ADOPTED: NOVEMBER 28, 2000

*This document prepared by:*

**FOSTER PEPPER & SHEFELMAN PLLC**  
1111 Third Avenue, Suite 3400  
Seattle, Washington 98101  
(206) 447-4400

SHELTON SCHOOL DISTRICT NO. 309  
MASON COUNTY, WASHINGTON

RESOLUTION NO. 00-10

A RESOLUTION of the Board of Directors of Shelton School District No. 309, Mason County, Washington, providing for the submission to the voters of the District at a special election to be held therein on February 6, 2001, of a proposition authorizing the District to issue its general obligation bonds in the principal amount of no more than \$30,965,000 (or such lesser maximum amount as may be legally issued under the laws governing the limitation of indebtedness), for the purpose of paying costs of constructing and equipping new school facilities, modernizing and renovating existing school facilities and carrying out other capital purposes as determined by the Board of Directors of the District, the principal of and interest on such bonds to be payable from annual property tax levies to be made in excess of regular property tax levies, authorizing a request for a Certificate of Eligibility from the State Treasurer pursuant to chapter 39.98 RCW, and designating the Secretary to the Board of Directors as the District official authorized to file with the State Treasurer, on behalf of the District, the request for a Certificate of Eligibility.

WHEREAS, enrollment demands, the existing condition of school facilities and the institution of new educational programs require that Shelton School District No. 309, Mason County, Washington (the "District") construct and equip new school facilities, modernize and renovate existing school facilities and carry out other capital purposes as determined by the Board of Directors of the District (collectively, the "Projects"); and

WHEREAS, the District lacks sufficient funds with which to carry out the Projects, which are urgently required to correct the existing conditions; and

WHEREAS, the conditions and situations hereinbefore set forth create an emergency which requires the holding of a special election in the District; NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SHELTON SCHOOL DISTRICT NO. 309, MASON COUNTY, WASHINGTON, as follows:

Section 1. It is found and declared that an emergency exists requiring the calling of a special election and the Auditor of Mason County, Washington, as *ex officio* Supervisor of Elections, is requested to find and declare the existence of an emergency. The Auditor of Mason County further is requested to call and conduct a special election in the District, in the manner provided by law, to be held therein on February 6, 2001, for the purpose of submitting to the voters of the District, for their approval or rejection, the question of whether or not general obligation bonds of the District shall be issued in the principal amount of no more than \$30,965,000 (or such lesser maximum amount as may be legally issued under the laws governing the limitation of indebtedness), the proceeds of the bond issue expended to pay costs of accomplishing and carrying out the Projects (as defined in the recitals hereto), and excess property taxes levied to pay and retire such bonds. The Projects are identified below and shown with their estimated costs, net of anticipated state matching funds, as set forth in Section 3 for particular elements of the Projects.

- Construct and equip a new 6-7 grades intermediate school \$12,579,525
- Construct and equip a new Evergreen Elementary School 8,460,084
- Modernize Bordeaux Elementary School 3,551,191
- Enhance and improve Mt. View Elementary School 700,000
- Enhance and improve Shelton High School 3,100,000



• Relocate Administration and CHOICE High School facilities to the current Evergreen Elementary building	650,200
• Demolish Angle Building and reconfigure the site for construction of a new elementary school	1,664,000
• Purchase District maintenance facilities	<u>260,000</u>
TOTAL	\$ 30,965,000

Proper costs of issuance and sale of the bonds also will be paid from bond proceeds and investment earnings, including underwriter's discount, rating service fees, bond counsel fees, registration fees, bond printing costs and bond insurance premium, if insurance is obtained.

If such proposition is approved by the requisite number of voters, the District will be authorized to issue the bonds in the manner described in this resolution, to spend the proceeds thereof to pay costs of the Projects, and levy excess property taxes to pay and retire such bonds. The cost of all necessary architectural, engineering, legal and other consulting services, inspection and testing, administrative and relocation expenses, site acquisition or improvement, demolition, on and off-site utilities, related improvements and other costs incurred in connection with the making of the foregoing capital improvements constituting the Projects shall be deemed a part of the costs of such improvements. The Projects shall include all necessary furniture, equipment and appurtenances.

The funds derived from the sale of the bonds shall be used, either with or without additional funds now available or hereafter available to the District, for capital purposes only, which shall not include the replacement of equipment. The Projects, or any portion or portions thereof, shall be acquired or made insofar as is practicable with the capital funds available and in such order of time

as shall be deemed advisable by the Board of Directors of the District (the "Board").

Section 2. The bonds authorized may be issued as a single issue, as a part of a combined issue with other authorized bonds, or in more than one series. The bonds shall be fully registered bonds; shall bear interest payable as permitted by law; shall mature within 20 years from the date of issue (the life of the Projects being at least 20 years), and may be such lesser time as fixed by the Board; shall be paid by annual property tax levies sufficient in amount to pay both principal and interest when due, which annual property tax levies shall be made in excess of regular property tax levies without limitation as to rate or amount but only in amounts sufficient to meet such payments of principal and interest as they come due; and shall be issued and sold in such manner, at such times and in such amounts as shall be required for the purpose for which such bonds are to be issued. The exact date, form, terms, option of prior redemption, price, interest rate or rates and maturities of the bonds shall be hereafter fixed by resolution of the Board. Pending the issuance of the bonds, the District may issue short-term obligations pursuant to chapter 39.50 RCW.

The Board declares that to the extent, prior to the date bonds or other short-term obligations are issued to finance the Projects, the District shall make capital expenditures for the Projects from funds that are not (and are not reasonably expected to be) reserved, allocated on a long-term basis or otherwise set aside by the District under its existing and reasonably foreseeable budgetary and financial circumstances to finance the Projects, those capital expenditures are intended to be reimbursed out of proceeds of the bonds or other short-term obligations issued in an amount not to exceed the principal amount of the bonds provided by this resolution.

Section 3. If available funds from the proceeds of bonds authorized for the above purposes are more than sufficient to carry out the Projects, or should state or local circumstances require any alteration in those purposes, the District may acquire, construct, equip and make other capital

improvements to the facilities of the District, all as the Board may determine by resolution, after holding a public hearing thereon pursuant to RCW 28A.530.020. The Board shall determine the application of available money between the various parts of the Projects so as to accomplish, as near as may be, all improvements described. The Board shall determine the exact order, extent and specifications for the Projects.

If the Board shall determine that it has become impractical to accomplish any of such improvements or portions thereof by reason of state or local circumstances, including, but not limited to, changed conditions or needs, regulatory considerations, incompatible development or costs substantially in excess of those estimated, the District shall not be required to accomplish such improvements and may apply the bond proceeds or any portion thereof to other portions of the improvements, to other capital purposes of the District, or to payment of principal of or interest on the bonds, as the Board may determine by resolution, after holding a public hearing thereon pursuant to RCW 28A.530.020. In the event that the proceeds of sale of the bonds, plus any other money of the District legally available, are insufficient to accomplish all of the capital improvements making up the Projects, the District shall use the available funds for paying the cost of those improvements for which the bonds were approved that are deemed by the Board most necessary and in the best interest of the District.

It is anticipated that the District will receive some matching funds from the State of Washington totaling \$6,291,826 as state assistance in the indicated amounts for the following respective elements of the Projects.

• Construct and Equip new 6-7 grades Intermediate School	\$2,006,265
• Construct and Equip a new Evergreen Elementary School	1,852,826
• Modernize Bordeaux Elementary School	<u>2,432,735</u>
<b>TOTAL</b>	<b>\$6,291,826</b>

Such money shall be used, when and in such amounts as it may become available, for later completed elements of the Projects, or such other purposes as the Board of Directors may determine after holding a public hearing thereon pursuant to RCW 28A.530.020.

Section 4. Pursuant to RCW 29.79.055, as amended, the Mason County Prosecuting Attorney is requested to prepare the concise description of the aforesaid proposition for the ballot title in substantially the following form:

PROPOSITION \_\_\_\_\_

SHELTON SCHOOL DISTRICT NO. 309

SCHOOL FACILITIES CONSTRUCTION AND  
IMPROVEMENT BONDS - \$30,965,000

The Board of Directors of Shelton School District No. 309 adopted Resolution No. 00-10, concerning a proposition to finance, construct and improve school facilities. This proposition would authorize the District to construct and equip new school facilities, modernize and improve existing school facilities and carry out other capital purposes to enhance educational opportunities for students; issue no more than \$30,965,000 of general obligation bonds maturing within 20 years; and levy annual excess property taxes to pay and retire such bonds, all as provided in Resolution No. 00-10. Should this proposition be:

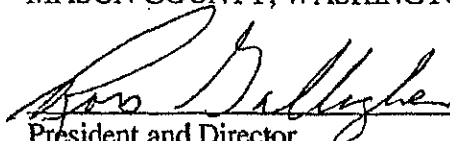
Approved .....   
Rejected .....


Section 5. The Secretary to the Board is directed (a) to certify to the Auditor of Mason County a copy of this resolution showing its adoption by this Board at least 45 days prior to the date of such special election, and (b) to perform such other duties as are necessary or required by law to the end that the question of whether or not bonds shall be issued and excess taxes necessary to pay and retire the bonds be levied as herein provided shall be submitted to the voters of the District at the aforesaid special election.

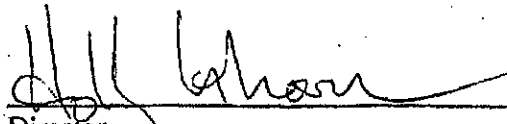
Section 6. The Board requests the State Treasurer to issue a Certificate of Eligibility pursuant to chapter 39.98 RCW and the rules promulgated thereunder by the State Finance Committee. The Board designates the Secretary to the Board as the District official authorized to file with the State Treasurer, on behalf of the District, the request for a Certificate of Eligibility.

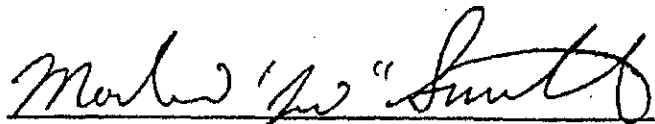
ADOPTED by the Board of Directors of Shelton School District No. 309, Mason County, Washington, at a regular open public meeting thereof, this 28th day of November, 2000, the following Directors being present and voting in favor of the resolution.

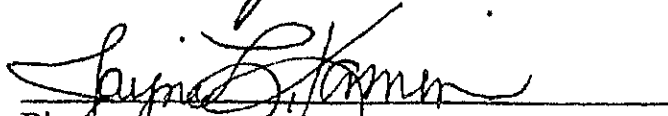
SHELTON SCHOOL DISTRICT NO. 309  
MASON COUNTY, WASHINGTON

  
\_\_\_\_\_  
President and Director


  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

  
Director

  
Director

ATTEST:

  
\_\_\_\_\_  
JOAN ZOOK  
Secretary to the Board of Directors

CERTIFICATION

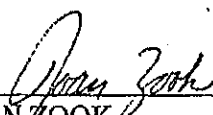
I, the undersigned, Secretary to the Board of Directors (the "Board") of Shelton School District No. 309, Mason County, Washington (the "District"), hereby certify as follows:

1. The attached copy of Resolution No. 00-10 (the "Resolution") is a full, true and correct copy of the Resolution duly adopted at a regular meeting of the Board held at the regular meeting place thereof on November 28, 2000, as the Resolution appears on the minute book of the District; and the Resolution is now in full force and effect; and

2. A quorum of the members of the Board was present throughout the meeting and a majority of those members present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of November, 2000.

SHELTON SCHOOL DISTRICT NO. 309,  
MASON COUNTY, WASHINGTON

  
\_\_\_\_\_  
JOAN ZOOK  
Secretary to the Board of Directors

CERTIFICATION

I, ALEX P. APOSTLE, Secretary to the Board of Directors of Shelton School District No. 309, Mason County, Washington (the "District"), hereby certify as follows:

1. The foregoing Resolution No. 17-03 (the "Resolution") is a full, true and correct copy of the Resolution duly adopted at a regular meeting of the Board of Directors of the District (the "Board") held at the regular meeting place thereof on April 11, 2017, as that Resolution appears on the minute book of the District, and the Resolution is now in full force and effect; and

2. A quorum of the members of the Board was present throughout the meeting and a sufficient number of members of the Board present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 11<sup>th</sup> day of April, 2017.

SHELTON SCHOOL DISTRICT NO. 309  
MASON COUNTY, WASHINGTON

  
\_\_\_\_\_  
ALEX P. APOSTLE  
Secretary to the Board of Directors